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COMMUNIST CHINA

I. My point of departure ^{for} ~~our~~ agenda topic--Communist China's foreign relations--is Peiping's propensity for domestic programs which deviate from Soviet models. The communes are a case in point.

A. The fanfare to get the communes ^{going} ~~started~~ last year included extravagant claims of Chinese originality in matters of doctrine and practice.

1. The Russians at first ignored the Chinese pretensions, then openly disparaged the communes, which they said had been proved worthless in Soviet experience.

2. Peiping has moderated some of the harsher features of commune life. But it still stiffly defends the communes and suggests other countries might well learn from China.

B. ^{disparagement} ~~The Soviet position~~ contributed to contention among the Chinese Communists themselves on the merits of the communes and the overambitious "leap forward" targets.

1. Warnings against "individualism" which the party press addressed to "high-ranking functionaries" suggest that dissension reached the very top of the hierarchy.

2. Last summer, Peiping had to admit its ^{production} statistics were inflated, and it ignominiously settled for sharply reduced targets.

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3. But characteristically, the regime lashed out all the harder at its critics when events proved them right.
 4. Former Defense Minister Peng Te-huai and his ex-chief of staff appear particularly vulnerable. They didn't appear at the 1 October celebrations, and they haven't been seen since.
 5. Their offenses are suggested in recent statements of new Defense Minister Lin Piao. Lin criticized officers ^{who} opposed ~~the~~ party leadership over armed forces ^{who resisted} and ~~the~~ massive employment of troops in "leap forward" and commune programs.
- II. In Peiping's view, its hard-line domestic programs are well served by international tensions.
- A. As the Chinese word it, "Face to face with the American aggressor, the Chinese people are forced to intensify their work and build economically backward China into an advanced, industrialized, and socialist power." (Chinese theoretical journal Red Flag, mid-September 1959 issue)
 - B. This predilection for a "struggle" atmosphere is an important factor in Peiping's reservations about Khrushchev's tactics toward the United States. *(about Khrushchev's current international tactics)*
- III. The Chinese leaders still harbor ~~these~~ misgivings despite ^{his} ~~Khrushchev's~~ reassurances when he talked with them in Peiping earlier this month.

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- A. Biting hostility toward United States in Chinese broadcasts since Khrushchev's departure contrasts with more moderate Soviet line.
- B. ~~Despite this divergence,~~ the Chinese place high value on the Sino-Soviet alliance. Professions of solidarity with USSR remain as fervent as ever.
- C. On border disputes, China is trying to mollify neighbors.
1. Chinese are making no substantive concessions with respect to boundary lines but express desire to negotiate with India and Nepal.
 2. Chinese statement on last week's clash in Ladakh was relatively mild. Incident occurred in area claimed by both sides, with Chinese claiming they fired in self-defense.
 3. On 6 October, Chou En-lai sent Nehru a message belittling border issue as mere episode in "age-old friendship."
 4. Approach to Burmese equally placating. Chinese foreign minister told visiting Burmese on 17 October Peiping wanted to live in peace with all countries, particularly with neighbors.
- D. Chinese put bad foot forward in allowing Syrian Communist to attack Nasir during National Day celebrations. Peiping newspapers replied only briefly to Cairo press invective. Chinese now disposed to let affair simmer down.

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G. The Chinese still use trade as political weapon.

1. They have cancelled trade with Japan as pressure on Kishi to take steps toward diplomatic recognition.
2. They have hinted at reduction of purchases from Indonesia if legislation discriminating against Chinese merchants there is implemented.
3. But trade weapon is less powerful now than last year. Domestic demands of "leap forward" program forced Peiping to default on many export commitments. Far Eastern countries, moreover, have been antagonized by Peiping's tactics.

E. "Liberate Taiwan" propaganda is getting no special play.

1. Current military activity in Strait is routine.

F. Chinese propaganda on Laos has also dropped off sharply in recent weeks.

H. In summary, while Chinese have not abandoned certain hard-line features of foreign policy, they have not moved to upset Khrushchev's apple cart.

1. But we believe the Chinese have put the Soviet leader on notice that he must respect Peiping's wishes on world--not merely Far Eastern--issues.
2. As Chou En-lai put it openly (his People's Daily article, 6 October), Communist China has "right to have its say on all major international questions which concern its interests and the interests of world peace."

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